

Department of Social and Health Services

**DP Code/Title: M1-01 Mandatory Caseload Changes**

**Program Level - 080 Medical Assistance**

Budget Period: 2001-03 Version: H3 080 2001-03 2003 Sup Agency Req

**Recommendation Summary Text:**

This is a request for additional funding to meet the projected expenditures resulting from changes in the Fiscal Year 2003 Medical Assistance Administration (MAA) maintenance level caseload.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	0	326,000	326,000
001-2 General Fund - Basic Account-Federal	0	(1,099,000)	(1,099,000)
001-7 General Fund - Basic Account-Private/Local	0	(2,763,000)	(2,763,000)
001-C General Fund - Basic Account-DSHS Medicaid Federa	0	18,103,000	18,103,000
760-1 Health Services Account-State	0	(1,449,000)	(1,449,000)
<b>Total Cost</b>	<b>0</b>	<b>13,118,000</b>	<b>13,118,000</b>

**Staffing**

**Package Description:**

This decision package includes increased funding for MAA medical services related to changes in the number of eligible persons. The amounts shown are based on FY 2003 budgeted per capita costs for each eligibility category. The difference between the number of eligible persons forecasted in February 2002 and June 2002 was calculated for each month and for each eligibility category. The resulting differences were multiplied by Fiscal Year 2003 monthly per capita costs by fund source to provide an estimate of the increase (or decrease) in costs related to these caseload changes.

As the "Family Planning Only" eligibility category was added in the June 2002 caseload forecast and no previous caseload estimate for this population exists, all of the forecasted increases in family planning expenditures have been attributed to utilization.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

This step contributes to the agency's strategic plan by assuring that MAA clients have access to quality health care.

***Performance Measure Detail***

**Program: 080**

**Goal: 10H Assure access to high quality health care**

No measures submitted for package

**Incremental Changes**

**FY 1**

**FY 2**

***Reason for change:***

The forecasted changes in the MAA caseload result in a need for increased funding to maintain health services coverage at current levels for additional MAA clients in Fiscal Year 2003.

***Impact on clients and services:***

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This step includes funding projected as necessary to maintain existing services in the amount, duration, and scope as are available to persons who are currently eligible for medical assistance and for the additional persons who will become eligible for MAA during the remainder of the current fiscal year.

***Impact on other state programs:***

Funding in this step directly affects clients of virtually all other DSHS programs. MAA is obligated to pay the costs of certain necessary medical services for eligible MAA clients served by the Aging and Adult Services Administration, for medical assistance-eligible children served by the Children's Administration, and for eligible Health and Rehabilitative Services Administration clients. Basic medical care services for eligible Department of Social and Health Services (DSHS) populations are the responsibility of MAA. As stated above, the funding sought in this step will assure that these populations and persons who are solely MAA-eligible clients, will have access to medical services of the amount, duration, and scope currently defined in the DSHS State Plan for Medical Assistance.

***Relationship to capital budget:***

None

***Required changes to existing RCW, WAC, contract, or plan:***

No revisions are needed if funding is approved. Numerous RCW, WAC, and State Plan revisions would be required if funding in this step is not approved.

***Alternatives explored by agency:***

The MAA caseload, with the exception of the State Children's Health Insurance Program (SCHIP) is considered an entitlement, thus no alternatives were explored for the non-SCHIP projected caseload growth. If the Legislature limits SCHIP funding, MAA would impose enrollment caps on the program.

***Budget impacts in future biennia:***

This caseload is forecasted every budget cycle. The estimated minimum size of future budgetary impacts would include the second year's funding as adjusted by any subsequent forecast.

***Distinction between one-time and ongoing costs:***

Costs in this package are ongoing.

***Effects of non-funding:***

Non-funding of the caseload step is likely to result in the termination of coverage for certain optional eligibility groups and/or elimination of certain optional medical assistance services. Such actions by MAA would negatively affect the health status of the impacted populations and, in some instance, contribute to the costs of uncompensated care in Washington State's health system as a whole.

***Expenditure Calculations and Assumptions:***

The values shown in this decision package are based on the incremental change by month between the March 2002 Caseload Forecast and the June 2002 Caseload Forecast multiplied by the March 2002 forecasted per capita costs for the various MAA client populations. This calculation is summarized as:

(June 2002 Caseload minus March 2002 Caseload) X March 2002 per Capita Costs.

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The described methodology applies to the client populations for which June 2002 Caseload Forecast numbers were available.

See attachment - MAA M1-2003 Mandatory Caseload Adjustments.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
N Grants, Benefits & Client Services	0	13,118,000	13,118,000

**DSHS Source Code Detail**

<u>Overall Funding</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	0	326,000	326,000
<i>Total for Fund 001-1</i>	<b>0</b>	<b>326,000</b>	<b>326,000</b>
<b>Fund 001-2, General Fund - Basic Account-Federal</b>			
<u>Sources</u> <u>Title</u>			
566B Refugee & Entrant Assist-St Admin'd Prog(D)(100%)	0	(411,000)	(411,000)
767H Children's Health Ins Prog (CHIP)	0	(688,000)	(688,000)
<i>Total for Fund 001-2</i>	<b>0</b>	<b>(1,099,000)</b>	<b>(1,099,000)</b>
<b>Fund 001-7, General Fund - Basic Account-Private/Local</b>			
<u>Sources</u> <u>Title</u>			
5417 Contributions & Grants	0	(2,763,000)	(2,763,000)
<i>Total for Fund 001-7</i>	<b>0</b>	<b>(2,763,000)</b>	<b>(2,763,000)</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>			
<u>Sources</u> <u>Title</u>			
19TA Title XIX Assistance (FMAP)	0	18,103,000	18,103,000
<i>Total for Fund 001-C</i>	<b>0</b>	<b>18,103,000</b>	<b>18,103,000</b>
<b>Fund 760-1, Health Services Account-State</b>			
<u>Sources</u> <u>Title</u>			
7601 Health Services Account	0	(1,449,000)	(1,449,000)
<i>Total for Fund 760-1</i>	<b>0</b>	<b>(1,449,000)</b>	<b>(1,449,000)</b>
<b>Total Overall Funding</b>	<b>0</b>	<b>13,118,000</b>	<b>13,118,000</b>